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RULES SUPPLEMENT TO PART-VII
EXTRAORDINARY
OF
THE ANDHRA PRADESH GAZETTE
PUBLISHED BY AUTHORITY

No. 2] HYDERABAD, TUESDAY, OCTOBER 19, 2010.

NOTIFICATIONS RELATING TO THE ADMINISTRATION OF PANCHAYAT RAJ

—X—

NOTIFICATIONS BY GOVERNMENT

PANCHAYAT RAJ & RURAL DEVELOPMENT DEPARTMENT

(RD-I)

THE ANDHRA PRADESH MICRO FINANCE INSTITUTIONS (REGULATION OF MONEY LENDING) RULES 2010.

[G.O. Ms. No. 356, Panchayat Raj & Rural Development (RD-I), 19th October, 2010.]

In exercise of the powers conferred under sub-section (1) of section 23 of the Andhra Pradesh Micro Finance Institutions (Regulation of Money Lending) Ordinance 2010 (Andhra Pradesh Ordinance No.9 of 2010) the Governor of Andhra Pradesh hereby makes the following rules:

RULES

1. Short title and commencement:-

(1) These rules may be called the Andhra Pradesh Micro Finance Institutions (Regulation of Money lending) Rules, 2010.

(2) These rules shall come into force from the date of publication in the official Andhra Pradesh Gazette.

2. Definitions:- In these rules unless the context otherwise requires, -

(a) "Effective rate of interest (r)" shall be the effective rate of interest as specified in column (17) of Form – 1.

(b) "Forms" means Forms appended to these rules ;

(c) "Ordinance" means the Andhra Pradesh Micro Finance Institutions (Regulation of Money Lending) Ordinance, 2010

(d) "Pawn" includes Ration Card, any Health Scheme Cards, property title documents, household articles, pension cards, collateral security; or any benefit provided by Government to the borrower.

(e) "Slum Level Federation" means and includes federation of Self Help Groups in a slum or habitation facilitated by the Mission for Elimination of Poverty in Municipal Areas (MEPMA).

(f) "Village Organization" means and includes federation of all Self Help Groups in a village or habitation facilitated by Society for Elimination of Rural Poverty (SERP).

(g) "Words" and "Expressions" used but not defined in the Ordinance or under rules thereof shall have the same meaning assigned to them under any other law relevant with the objectives sought to be achieved under the Ordinance.

3. Application for Registration : -

(1) Every Micro Finance Institution operating in the State as on the date of the commencement of the Ordinance shall, apply to the respective Registering Authorities in rural and urban areas seeking Registration in **Form-I** furnishing the details.

Provided that Micro Finance Institution operating in more than one District shall file separate applications for Registration in each District.

4. Verification by the Registering Authority:

(1) The Registering Authority shall verify whether the details submitted by the Micro Finance Institution are in accordance with the requirements of Rule 3 or not.

(2) In case, the application is not in accordance with the requirements of Rule 3, it shall be returned for rectification duly stating the reasons for the same.

(3) If the application is in accordance with the requirements of rule 3, the same shall be published in the village/municipal ward at the office of the Village Organization / the Slum Level Federation, for information and to get feed-back, if any.

5. Consequences of furnishing incorrect information:

If any of the information furnished in Form - 1 is found to be incorrect, the Registering Authority shall also launch prosecution under the relevant provisions of the Indian penal Code 1860.

6. Undertaking to be given by Micro Finance Institution before according Registration:

Every Micro Finance Institution shall give an undertaking in **Form-2** signed by the Chief Executive Officer or a person of equivalent designation of the Micro Finance Institution.

7. Time limit for Registering:

If all the details furnished by the Micro Finance Institution are in accordance with the requirements of Rule 3 and Rule 6, Registration in **Form – 3** shall be issued within seven working days from the date of submission of Form-1 and Form - 2.

8. Renewal of Registration:

(1) Every Micro Finance Institution registered as stated above and desirous of continuing operation of money lending after completion of the one year period, shall apply for renewal of Registration as per the provisions of sub-section (4) of Section 3 of the Ordinance in **Form – 4** listing therein name-wise details of the borrowers along with the purpose for which loan has been given and the interest rate charged.

(2) Every application for renewal shall be verified by the Registering Authority by publishing the relevant details in the villages/wards through the Village Organisation or Slum Level Federation or any other person or agency authorised by the Registering Authority inviting objections if any, for such renewal within such date as shall be specified.

(3) All objections received from the Self Help Groups or the Village Organisations or the Slum Level Federations, shall be got verified by the Registering Authority to satisfy himself about the compliance of the Micro Finance Institution to the provisions of the Ordinance and these rules.

(4) If any of the details furnished by the Micro Finance Institution in the application filed for renewal, either based on the verification done by the Registering Authority or based on complaints received from public, are found to be incorrect, or if the Micro Finance Institution is found to have violated any of the conditions of the Ordinance, the Registering Authority shall refuse renewal in writing stating the reasons therein.

(5) The Registering Authority shall also launch prosecution under the relevant provisions of the Indian Penal Code 1860 in all cases of furnishing false information.

9. Register of Micro Finance Institutions operating in a district:

(1) Each RA shall maintain the list of Micro Finance Institutions registered in the district in **Form – 5**, which shall be available for inspection by general public during the office hours.

(2) The relevant particulars of the Form - 5 concerning the Gram Panchayat or the slum area shall be published at least twice a year on the notice board of the concerned Gram Panchayat or the Ward Office concerned, apart from exhibiting them on the website.

10. Cancellation of the Registration:

(1) The Registering Authority shall cancel the Registration accorded to an Micro Finance Institution on violation of any condition of the Ordinance, or any of these Rules or any clauses of the points of the Undertaking submitted in Form – 2, or on any complaint filed and found to be valid under Section 14, or suo moto under Section 5 (1), including the following:

(a) Charging of rates of interest higher than what has been stated in the application for registration.

(b) Attempt to recover any money not permitted under the Ordinance or under these rules on the loans given.

(c) Operating in areas not specifically permitted in the Registration.

(2) Before passing an order for cancellation of the Registration, the Registering Authority shall cause a notice to be served upon the Micro Finance Institution, requiring it to show cause within fifteen days from the date of service of such notice as to why its Registration should not be cancelled.

(3) The Registering Authority shall, if the Micro Finance Institution files objections before the date fixed in the notice, after considering the same and if the Micro Finance Institution does not file objections before the date fixed, than after the said date, pass an Order in accordance with the Ordinance, which shall be communicated to the Micro Finance Institution.

11. Suspension of Registration:

(1) In case of commission of offences under Section 11(7) and Section 16 of the Ordinance, the Registering Authority can issue an order for suspension of the Registration pending enquiry after recording the reasons for such suspension which shall be communicated to the Micro Finance Institution.

(2) Every suspension of Registration shall immediately be followed by a notice under Rule 10 (2) and the enquiry shall be completed within 15 days from the date of receipt of explanation of such Micro Finance Institution.

12. Effect of cancellation or non-renewal of Registration:

In case of cancellation of Registration as per Rule 10 or non-renewal of Registration as per Rule 8 (4), such Micro Finance Institution shall not extend any fresh loans to the borrowers, but will be entitled to recover the dues of the subsisting loans subject to following the provisions of Section 16 of the Ordinance.

13. No dual membership:

(1) No member of an Self Help Group shall be a member of another Self Help Group or any group formed by any Micro Finance Institution.

(2) For this purpose, each Registering Authority shall maintain a complete and updated database of the all Self Help Group members and the list of borrowers furnished by the Micro Finance Institutions operating in that district.

14. Disclosure of interest rates:

(1) All Micro Finance Institutions registered under this Ordinance shall display the effective interest rates being charged on the loans given by them prominently in all their offices; and the same shall be furnished to the borrowers in writing.

(2) Non-display of the effective rate of interest shall be an offence punishable under Section 18 of the Ordinance.

15. All Charges to be subsumed under interest only:

(1) No Micro Finance Institution shall levy any charge or impose any cost by whatever name called, on the borrowers except the interest rate as disclosed in the letter granting the loan and as reported in the Form – 1 and in Form – 4.

(2) No Micro Finance Institution can collect any amounts not being a part of the interest rate and any such collection is a violation under Section 8 (2) of the Ordinance punishable under Section 18.

16. Discharge of certain loans:

(1) Based on the database submitted by Micro Finance Institutions registered under these Rules, each RA shall, identify such loans where the interest paid has exceeded the principal borrowed, and issue a direction in **Form – 6** for discharge of such loans and for return of such interest portion that exceed the principal amount to the borrower.

(2) Any attempt to recover these loans discharged in the above manner shall be an offence under Section 18 of the Ordinance and the Registration of such Micro Finance Institutions is liable for cancellation as per Section 5 of the Ordinance.

17. Procedure to be adopted in case of excess recovery:-

(1) Every Registering Authority, on any complaint of excess recovery of the loan by the Micro Finance Institution or in cases where the interest exceeded the principal amount, shall cause notice to be served upon the said Micro Finance Institution, fixing a date requiring the Micro Finance Institution to show cause why the Registration should not be suspended or cancelled or renewal thereof be prohibited for the said contravention.

(2) The Registering Authority shall consider the explanation filed if any, received before the last date stated in the notice, and pass order for refund of such excess money to the borrower.

(3) Non-implementation of the Order passed in accordance with Section 9 of the Ordinance shall be an offence punishable under Section 18 of the Ordinance.

18. Procedure in case Micro Finance Institution wants to advance loan to an Self Help Group member: - (1) Micro Finance Institution proposing to advance loan to an Self Help Group or its member already having an outstanding loan taken from any Bank through the Self Help Group, shall apply for prior approval in **Form-7** giving details of the member of the Self Help Group as laid down in Section 10 (2) of the Ordinance.

(2) The Registering Authority or any person or Agency authorised by him shall verify the details within the time limits laid down in the Ordinance; and conduct such verification with the Self Help Group to satisfy himself that the purpose for which the loan is proposed would generate additional income needed to service the loan.

(3) Every permission granted under section 10 (3) of the ordinance shall be in **Form – 8.**

19. Granting multiple loans to be an offence:

Any Micro Finance Institution granting a loan to any Self Help Group or its members having an outstanding loan except as laid down in Section 10 shall be liable for punishment as laid down in Section 18 of the Ordinance.

20. Manner, form and format of the loan: -

(1) The loan contracted between a borrower and the Micro Finance Institution shall be repayable in the manner as laid down below:

(a) The repayment of the loan shall be on a periodicity which shall not be less than one month.

(b) The interest shall be calculated on diminishing balances.

(c) The equated installments calculated in the above manner shall be intimated along with all other terms and conditions of the loan and shall be duly acknowledged by the borrower.

(2) The letter sanctioning the loan shall be in **Form – 9.**

21. Issue of receipts for the repayments:

Every payment received from a borrower shall be duly acknowledged by issuing a written receipt and a copy of the same shall be available in the records of the Micro Finance Institution.

22. Furnishing statement of account to the borrower:-

The Micro Finance Institution shall deliver a copy of the statement of account on demand free of cost to the borrower.

23. Place of collecting repayments in urban area:
No Micro Finance Institution shall collect repayment of the installment due in urban areas except in a public place like office of Slum level Federation or ward office.

24. Micro Finance Institution not to employ recovery agents:
(1) No Micro Finance Institution shall employ any recovery agent for recovery of the loans except the employees named in the Form-1 filed at the time of Registration.
(2) For the purpose of this Rule, any person who is not named in Form 1 but effecting recoveries shall be treated as recovery agent; and Micro Finance Institution responsible for such collection shall be liable for action under Section 18 of the Ordinance.

25. Monthly Statement by Micro Finance Institution to RA:
(1) The monthly Statement as per Section 12 of the Ordinance shall be in **Form-10** of these rules and shall contain all the loans granted and recoveries made during the previous month.
(2) Non submission of **Form-10** shall be an offence punishable under Section 18 of the Ordinance.

26. Procedure for summoning Witnesses and requiring production of documents: -
For the purposes of implementing the provisions of the Ordinance, the Registering Authority shall have the same powers with regard to summoning of Witnesses, requiring production of documents, recording evidence and other proceedings as are provided in Chapter X of the Land Revenue Act and as per provisions of Code of Criminal Procedure 1973 as the case may be.

27. Power to search and seizure:
(1) The Registering Authority or any other officer authorised by him can conduct the search of such premises and seize such records as required under Section 13 of the Ordinance.
(2) The Registering Authority or any other officer authorised by him can summon the representative of the Micro Finance Institution located in the district by issuing summons as per **Form-11.**

28. Complaints:
(1) Every complaint under Section 14 of the ordinance shall be either in writing before the Registering Authority or by using the Toll Free telephone provided for this purpose.
(2) All complaints registered shall be enquired into by the Registering Authority or an officer authorised by him within seven days from the date of receipt of the complaint.
(3) If, after due enquiry into the complaint, the Registering Authority is satisfied that there is sufficient evidence of a violation of a provision or provisions of the Ordinance, the Registering Authority shall, issue a show cause notice to the Micro Finance Institution in **Form – 12** and taken action as laid down in Rule 10.

29. Prosecution of cases:

(1) In case of any offence committed under Sections 16 and 17 of the Ordinance the Officer in charge of the Police Station under whose jurisdiction the offence has occurred shall register the case either on complaint or suo moto and proceed in accordance with the provisions of the Code of Criminal Procedure 1973.

(2) The progress of investigation and prosecution in all such cases shall be reported to the Registering Authority on a monthly basis.

Form – 1
(Rule 3)
Format for application for registration

1. Name of the Micro Finance Institution / Organization :
2. Nature of the Organization :
(Company/Partnership Firm/Society/NBFC/
Co-Operative Society/Money Lender/HUF/
Proprietary Firm / Others Specify)

B. Details of incorporation

1. Whether Incorporated or not **:**
2. Date of incorporation:
3. Place of Incorporation:
4. Reference number of Incorporation:
5. Present Address of the registered office:
6. Details of persons connected with and responsible For the day-to-day control, business and Management of the Micro Finance Institution:

S No	Name of the person	Designation	Official address	Residential address	Contact number	Email address
1.	2.	3.	4.	5.	6.	7.

C. Details of Organization at District Level

1. New Micro Finance Institution or Existing Micro Finance Institution
2. List of the office(s) of the Micro Finance Institution in the district:

S No	Name of the branch	Office Address	Name of the head of the branch operations	Contact number	Email address
1.	2.	3.	4.	5.	6.

3. Names and details of employees deployed in the district.

Sl. No.	Name	Designation	Residential Address	Contact No.	EPF Code	Area allocated for operation
1	2.	3.	4.	5.	6.	7.

D. Details of subsisting loans

Sl. No.	Name of the Borrower / Father/ Husband	Ration Card No.	Village/ Ward/slum	Mandal/ Town	Name of the Self Help Group belonging to		Amount of loan given	Purpose for loan	Amount realized so far towards	
									Principal	Interest
1.	2.	3	4.	5.	6.	7.	8.	9	10.	11.

Number of Installments for repayment		Periodicity of payment	Mode of compounding of interest	Instalment amount	Effective rate of interest (including interest, insurance and all other charges payable by the borrower)
		Daily/ Weekly/ Fortnightly/ Monthly	Weekly rest Monthly rest Quarterly rest Half Yearly rest Yearly rest		
Total number	So far paid				
12.	13.	14.	15.	16.	17.

E. Area of Operation: Currently operating or assigned to operate during the year

Sl. No.	Village/slum	Mandal/Town	Name of the functionary /supervisor	Name of the branch of Micro Finance Institution servicing the area	Number of existing borrowers
1.	2.	3.	4.	5.	6.

<u>C E R T I F I C A T E</u>

This is to certify that the particulars stated above are true and correct to the best of my knowledge and belief and no information has been knowingly or unwittingly suppressed.

I understand and agree that if any of the information is found to be false, the organization will be liable for prosecution under provisions of Law.

I request that the Micro Finance Institution may be registered for operation in the district in accordance with the provisions of the Ordinance.

Signature of the CEO

Date :
Place :

Form – 2
(Rule 6)
Written undertaking to be submitted by the CEO

I, the Chief Executive Officer of the Micro Finance Institution authorised to sign on behalf of the Micro Finance Institution, hereby give the following undertaking that the said Micro Finance Institution shall at all times during the currency of the Registration shall:

1. Act in conformity with all the provisions of the Ordinance.
2. Not seek any security from a borrower by way of pawn, pledge or other security for the loan.
3. Not levy any hidden charges by any name or in any form, in the name of insurance, application fee, processing fee, recovery fee and the like - except the interest rate duly disclosed to the borrower.
4. Display the rates of interest charged in a conspicuous place in the Registered Office, Head Office and all Branch Offices in bold letters visible to members of the public.
5. Not collect interest in respect of any loans advanced an amount in excess of the principal amount under different names.
6. Not resort to further loaning to an Self Help Group or its members having an outstanding bank loan without prior approval in writing from the Registering Authority.
7. Furnish and update the details of the borrowing Self Help Group group members and other information in manner laid down under these Rules.
8. Not deploy any agents for recovery nor shall use any other coercive action.
9. Maintain the statutory records as per the Ordinance and to cooperate with any officers acting under the provisions of the Ordinance.
10. Not carry out any money lending activity outside the area mentioned in the Form 1.
11. Not to recover any loan not disclosed in Form 1.

C E R T I F I C A T E

This is to certify that the particulars stated above are true and correct to the best of my knowledge and belief and no information has been knowingly or unwittingly suppressed.
I understand that any violation of any of the above conditions of undertaking will result in cancellation of Registration as laid down in the Ordinance and the Rules.

Date : Signature of the CEO
Place :

FORM – 3
(Rule 7)

Office of the Registering Authority _____ District
under the AP Micro Finance Institutions (Regulation of Money lending) Rules, 2010

Registration of a Micro Finance Institution for operation

In accordance with the information furnished by the Micro Finance Institution in the Form I and II, Registration has been accorded to the Micro Finance Institution under the Provisions of A.P. M.F.I. (Regulation of Money Lending) Ordinance, 2010 as per the details stated below:

Name of the Micro Finance Institution:
Registration Number:
Area of operation: Urban/rural
List of villages/wards permitted for operation (enclosed):
Date of issue of Registration:
Date of expiry of the Registration:

This Registration can be cancelled prior to the period of expiry in accordance with the Section 5 of the Ordinance and as laid down in the Rules issued thereunder.

This Registration shall not be transferable or assignable to any other person or Organisation.

Given under my hand and seal on this …………….. day of ……….. 20..

Registering Authority,
…………… District

Form – 4
(Rule 8)

Prescribed format for application for renewal of registration

1. Name of the Micro Finance Institution / Organization :
2. Nature of the Organization :
(Company/Partnership Firm/Society/NBFC/
Co-Operative Society/Money Lender/HUF/
Proprietary Firm / Others Specify)

B. Details of incorporation

1. Whether Incorporated or not **:**
2. Date of incorporation:
3. Place of Incorporation:
4. Reference number of Incorporation:
5. Present Address of the registered office:
6. Details of persons connected with and responsible
For the day-to-day control, business and
Management of the Micro Finance Institution:

S No	Name of the person	Designation	Official address	Residential address	Contact number	Email address
1.	2.	3.	4.	5.	6.	7.

C. Details of Organization at District Level

1. New Micro Finance Institution or Existing Micro Finance Institution
2. List of the office(s) of the Micro Finance Institution in the district:

S No	Name of the branch	Office Address	Name of the head of the branch operations	Contact number	Email address
1.	2.	3.	4.	5.	6.

3. Names and details of employees deployed in the district.

Sl. No.	Name	Designation	Residential Address	Contact No.	EPF Code	Area allocated for operation
1.	2.	3.	4.	5.	6.	7.

D. Details of subsisting loans

Sl. No.	Name of the Borrower / Father/ Husband	Ration Card No.	Village/ Ward	Mandal/ Town	Name of the Self Help Group belonging to		Amount of loan given	Purpose for loan	Amount realized so far towards	
									Principal	Interest
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.

Number of Installments for repayment		Periodicity of payment	Mode of compounding of interest	Instalment amount	Effective rate of interest (including interest, insurance and all other charges payable by the borrower)
		Daily/ Weekly/ Fortnightly/ Monthly	Weekly rest Monthly rest Quarterly rest Half Yearly rest Yearly rest		
Total number	So far paid				
12.	13.	14.	15.	16.	17.

E. Area of Operation: Currently operating or assigned to operate during the year

Sl. No.	Village/slum	Mandal/Town	Name of the functionary /supervisor	Name of the branch of Micro Finance Institution servicing the area	Number of existing borrowers
1.	2.	3.	4.	5.	6.

C E R T I F I C A T E

This is to certify that the particulars stated above are true and correct to the best of my knowledge and belief and no information has been knowingly or unwittingly suppressed.

I understand and agree that if any of the information is found to be false, the organization will be liable for prosecution under provisions of Law.

I request that the Registration of the Micro Finance Institution may be extended for a further period of one year for operation in the district in accordance with the provisions of the Ordinance.

Signature of the CEO

Date :
Place :

Form 4 A
Written undertaking to be submitted by the CEO

I, the Chief Executive Officer of the Micro Finance Institution authorised to sign on behalf of the Micro Finance Institution, hereby give the following undertaking that the said Micro Finance Institution shall at all times during the currency of the Registration shall:

1. Act in conformity with all the provisions of the Ordinance.
2. Not seek any security from a borrower by way of pawn, pledge or other security for the loan.
3. Not levy any hidden charges by any name or in any form, in the name of insurance, application fee, processing fee, recovery fee and the like - except the interest rate duly disclosed to the borrower.
4. Display the rates of interest charged in a conspicuous place in the Registered Office, Head Office and all Branch Offices in bold letters visible to members of the public.
5. Not collect interest in respect of any loans advanced an amount in excess of the principal amount under different names.
6. Not resort to further loaning to an Self Help Group or its members having an outstanding bank loan without prior approval in writing from the Registering Authority.
7. Furnish and update the details of the borrowing Self Help Group group members and other information in manner laid down under these Rules.
8. Not deploy any agents for recovery nor shall use any other coercive action.
9. Maintain the statutory records as per the Ordinance and to cooperate with any officers acting under the provisions of the Ordinance.
10. Not carry out any money lending activity outside the area mentioned in the Form 1.
11. Not to recover any loan not disclosed in Form 1.

<u>C E R T I F I C A T E</u>

This is to certify that the particulars stated above are true and correct to the best of my knowledge and belief and no information has been knowingly or unwittingly suppressed.

I understand that any violation of any of the above conditions of undertaking will result in cancellation of Registration as laid down in the Ordinance and the Rules.

Date : Signature of the CEO
Place :

Form 5
Register of Micro Finance Institutions Registered to operate in the district
(Rule 9)

1. S. No. :
2. Registration No: :
3. Name of the Micro Finance Institution :
4. Incorporation details :
5. Address of the Head office :
6. Address of the Head Office in the District :
7. Area of Operation :
8. Name Micro Finance Institution Employees of the village/slum :
9. No of the loans given in the village/slum :
10. Effective Rate of Interest :
11. Date of Expiry of Registration Certificate:

Registering Authority

Form 6
Discharge of loans
(Rule 16)

Proceedings of the Registering Authority
Present: ________

Whereas it has come to the notice of the Registering Authority that (state the name of the Micro Finance Institution) has given a loan to (Name of the borrower) of (Rs. ---) repayable in (---) installments at (effective interest rate)

And the said borrower has repaid Rs. ____ being the principal and the interest thereon,

Now the interest having exceeded the principal amount, in accordance with the provisions of Section 9 of the Ordinance, the following orders have been issued:

1. The loan stated above taken from the said Micro Finance Institution by the said borrower stand discharged and the said Micro Finance Institution shall not recover any further amounts from the borrower.
2. The said Micro Finance Institution shall return (Rs. ____) being the interest portion that exceeded the principal amount to the borrower within 15 days from the date of this order.

Further the said Micro Finance Institution shall take note that any attempt to recover the loans as discharged in the above manner shall an offence under Section 18 of the Ordinance for which the Registration of the said Micro Finance Institutions would be liable for cancellation as per Section 5 of the Ordinance.

Registering Authority

To
The Representative of the Micro Finance Institution
The Borrower
The Village Organisation / Slum Level Federation

Form – 7
(Rule 18)
Prescribed format to get prior Approval to advance loan to Self Help Group Member

Name of the Micro Finance Institution : Registration Number:

Permission may be issued for lending to the Self Help Group members details of whom are furnished hereunder for giving further loan from the Micro Finance Institution in accordance with Section 10 of the Ordinance:

Name of the Borrower	Name of the Self Help Group	Bank form which Loans has been obtained by the Self Help Group	Date of the loans granted by the Bank	Amount paid to the Self Help Group by the Bank	Amount due from the Self Help Group	Fresh amount of loan sought by the Self Help Group from the Micro Finance Institution	Rate of Interest	Installment amount	Purpose of the loan	Periodicity of the loan repayment	Total no of installments	Anticipated additional monthly income to the member	Details of due diligence done	Details of other loans of the borrowers						
														Name of the Lender	Amount Borrowed	Date of loan	Rate of interest	EMI	Amount repaid so far	Outstanding loans
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21

This is to certify that the particulars stated above are true and correct to the best of my knowledge and belief and no information has been knowingly or unwittingly suppressed. I understand that any violation of any of the above conditions of undertaking will result in cancellation of Registration as laid down in the Ordinance and the Rules. The Resolution of the Self Help Group has been enclosed in Form-7 A.

Authorised signatory for the Micro Finance Institution

Form -7 A
Resolution of the Self Help Group

Name of the Self Help Group:
Name of the village/slum
Name of the Mandal/Town

Date:

Resolved that Smt………………..w/o_____________, a member of this group requires loan of (Rs. ____) for (state purpose of the loan). The group has verified and is convinced that the above loan would generate additional income required to service the loan.

The …… Micro Finance Institution come forward to advance the above loan at ____ % of effective interest requiring her to pay an equated instalment of Rs. ____ for (state the number of installments) on a declining balance method. There are no other charges levied on the loan except the above interest.

Hence this group is resolved to recommend the name of the member to get loan from the said Micro Finance Institution.

Signature of the Self Help Group members.

Form 8
Grant of Permission for further loan
(Rule 18)

Proceedings of the Registering Authority ------------- District,
Under the provisions of The AP Micro Finance Institutions (Regulation of money lending) Rules 2010

Having gone through the application of ---------Micro Finance Institution for the prior approval for advancing a loan of Rs. _________ to Smt -------------- of the (state the name of the Self Help Group), -----------------village/ward, ------------------ mandal/town and the resolution passed by the -------- Self Help Group, and after verifying satisfying myself of the capability of the Self Help Group member to service the said loan, and also that the further loan will generate additional income to the Self Help Group member, needed for servicing the debt, permission has been accorded to --------------Micro Finance Institution to advance (Rs. _____) as the loan to Smt. ------------------- member of the Self Help Group------------------.

Seal

Sd/
Registering Authority

Form 9
(Rule 20)
Sanction letter of a loan by Micro Finance Institution

To

____

____

With reference to your application dt… for sanction of loan (state the name of Micro Finance Institution) hereby sanction an amount of Rs.--------------- loan as per the terms and conditions stated below:

1. Name of the borrower :
2. Amount sanctioned :
3. Date of the sanction :
4. Effective rate of interest (to include all charges) :
5. No of installments :
6. Periodicity of the repayment (monthly/quarterly/half-yearly):
7. Equated instalment amount (Rs)
8. Purpose of the loan :
9. Name and address of the Micro Finance Institution functionary :

Please arrange to return the duplicate copy of this letter duly signed for having accepted the above conditions.

Seal **Sd/**
(Authorized signatory of Micro Finance Institution)

Form 10
(Rule 25)

Monthly Statement of Micro Finance Institution for ___ month

Name of the Micro Finance Institution:

Address of the Micro Finance Institution:

Name of the borrower	Name of Self Help Group	Village / slum	Mandal/ Town	Sanctioned amount	Date of Sanction
(1)	(2)	(3)	(4)	(5)	(6)
Purpose of the loan	Repayment frequency	Number of installments	Equated instalment	Amount so far repaid	Outstanding
(7)	(8)	(9)	(10)	(11)	(12)

sd /
Authorised signatory

<u>Form – 11</u>
(Rule 13 and 14)

Summon to witness

(See sections 160,91 CrPC under section 13 of The Andhra Pradesh Micro Finance Institutions (Regulation of Money Lending) Rules, 2010

To
[Name, description and place of residence.] …………….

WHEREAS A complaint has been made before me against the (state the name of the Micro Finance Institution) for violating the provisions of the A.P. Micro Finance Institutions (Regulation of Money Lending) Ordinance, 2010 and it appears to me that you are likely to give material evidence or to produce any document or other thing for the prosecution;

You are hereby summoned to appear before the Registering Authority on the …………….day of.. …………………next at ten o'clock in the forenoon, to produce such document or thing or to testify what you know concerning the matter of the said complaint., and not to depart thence without leave of the Registering Authority; and you are hereby warned that, if you shall without just excuse neglect or refuse to appear on the said date, a necessary proceedings will be issued to compel your attendance.

Dated this ………………………………….day of…………..20……………………

(Seal of the Registering Authority)

(Signature)

Form – 12
(Rule 10 and 28)

SHOW CAUSE NOTICE TO Micro Finance Institution

(O. 5, R. 3. of CPC r/w Section 5 of the A.P. Micro Finance Institution (Regulation of Money Lending) Ordinance, 2010)

To
……………………………………….
…………………………………………………………
……..[Name, description and place of residence.] …………….

Whereas it has brought to the knowledge of the Registering Authority that the Micro Finance Institution has violated the provisions of the Ordinance, 2010 by indulging in the following acts.
1….
2….
3…

You are hereby summoned to appear before the Registering Authority in person on the .... day of......... 20... at .... o'clock at ……….(place)….., to submit your reply; and you are further directed to produce on that day all the documents upon which you intend to rely in support of your defense.

Take notice that, in default of your appearance of the day before mentioned, the mater will be heard and determined in your absence.

Given under my hand and the seal of the Court, this ..... day of....... 20 ....

Seal Registering Authority

R. SUBRAHMANYAM,
Principal Secretary to Government (RD).

——x——

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